



**Agenda Item Number: 2005-6-7B**

## **BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS**

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**Meeting Date:** June 14, 2005

**Department:** County Manager   **Staff Contact:** Thaddeus Lucero, County Manager  
Dan Mayfield, Finance and Budget  
Tim West, Deputy County Manager, Public Works  
John Dantis, Deputy County Manager, Public Safety  
Julie Baca, Deputy County Manager, Community Services

**TITLE:** Mid-Year Budget Adjustment – 2<sup>nd</sup> Year of the 2005/2006 Biennial Budget

**ACTION:** Motion to approve:

1. Financial Resolution **FR** **-2005** recognizing and budgeting new General Fund programs
2. Financial Resolution **FR** **-2005** mid-year recommendations adjusting the BC06 1/8 Cent GRT Fund, BC10 Solid Waste, BC51 Regional Juvenile Detention Center and BC59 Housing HUD budget and converting two existing full-time term positions in BC06 1/8 Cent GRT Fund to two full-time regular positions
3. Financial Resolution **FR** **-2005** establishing the budget for the Solid Waste Curb Side Recycling Program
4. Financial Resolution **FR** **-2005** accepting and budgeting the 2005 State Legislative appropriations, Grant appropriations and budgeting additional revenue in Capital Project funds
5. Conversion of existing General Fund employees from term status to permanent status for the Facilities Management Department, Budget Department, Human Resources Departments and Public Information Office.
6. Addition of one position for the Sheriff's Department Sex Offender Program
7. Administrative Resolution **AR** **-2005** Establishing Bernalillo County Goals and Priorities for the Second Fiscal Year of the Biennial Budget

### **SUMMARY:**

The Bernalillo County Commission approved the County's first biennial budget for Fiscal Years 2005/2006 on May 11, 2004. The budget received the Distinguished Budget Presentation Award from the National Government Finance Officers Association and State, DFA. Approval provided for an appropriation for two fiscal years, with funding made available to departments for one year at a time. Departments were given the opportunity to evaluate their budgets prior to commencement of the second year. Necessary changes are presented to the County Commission as adjustments to the base budget.

The adjusted General Fund budget currently approved for fiscal year 2006 is \$152,859,269. A major budget adjustment for fiscal year 2006 was the net effect of the enactment of the additional 3/16<sup>th</sup> GRT and the elimination of the 0.95 mill property tax increase that was implemented in FY'04. Appropriated items are listed in the attached Administrative Resolution "Reestablishing the Goals and Priorities for the Second Fiscal Year of the Biennial Budget."

The management team thoroughly examined all departmental budgets; grant budgets and capital project budgets, including year-to-date and projected revenues and expenditures. Departmental revenue sources and expenditures were carefully analyzed. The review included analyses of property tax revenues and gross receipts tax revenues. As a result of this mid-year budget review process, management requests the following expenditure adjustments to the County's fiscal year 2006 mid-year budget:

1. Financial Resolution **FR -2005** recognizing and budgeting new General Fund programs.
  - a. The Steve Schiff Building will have 81 parking spaces. Projected annual revenue is estimated at \$58,000.
  - b. Rio Grande Building will have 22 parking spaces. Projected annual revenue is estimated at \$14,000 and expenditures for lot attendant salaries and operating for both parking lots is estimated at \$72,000 annually.
  - c. Office space will be leased to TVI at the South Valley Economic Development Center at an annual cost of \$22,956. Bernalillo County will deposit the TVI revenue and make the lease payments to the RGCD.
2. Financial Resolution **FR -2005** mid-year recommendations increasing the BC06 1/8 Cent GRT Fund, converting two existing full-time term positions to two full-time regular positions and increasing BC10 Solid Waste Fund, BC51 Regional Juvenile Detention Center Fund and the BC59 Housing HUD Fund revenue and expenditure budgets.
  - a. The BC06 1/8 Cent GRT Fund, BC10 Solid Waste Fund, BC51 Regional Juvenile Detention Center and the BC59 Housing HUD Fund request approval to increase the fiscal year 2006 expenditure budget. Original approved budgets are not sufficient to cover expected costs. Revenues are sufficient to cover the increase.
  - b. In addition, a request is included to convert two existing full time term positions currently funded in BC06 1/8 Cent GRT into two permanent full time regular positions. Additional funding of \$36,801 annually is required. The positions are for Water and Conservation Planner and a Water and Facilities Technician.
3. Financial Resolution **FR -2005** establishing the budget for the Solid Waste Curb Side Recycling Program.

Bernalillo County Commission approved on November 9, 2004, the curbside recycling program as part of the residential hauling contract with Waste Management of NM, Inc. This resolution will increase the budget for Solid Waste BC10-16SP by \$681,511 for revenues and expenditures associated with the curbside recycling program. The Solid Waste Department's Roadside Recycling Program is estimated to have 21,000 customers at a cost of \$2.95 per month per resident. The program will be implemented in three phases with 7,000 customers being added in each phase, beginning August 1, 2005, November 1, 2005 and February 1, 2006.

4. Financial Resolution **FR -2005** accepting 2005 State Legislative appropriations, Grant appropriations and budgeting additional revenue in Capital Project funds.
5. Motion to approve employee conversions from term status to permanent status for the Facilities Management Department, the Budget/Human Resources Department and the Public Information Office.
  - a. The Facilities Management Department requests approval to convert seven existing part time regular custodians to seven full time regulars to accommodate increased custodial needs for new County facilities. Cost for this conversion is \$79,037 annually.
  - b. The Budget & Human Resources departments request approval to convert two existing term funded positions to a permanent full time system analyst and a database administrator in order to hire and retain qualified staff. Funding for the term positions exists in the current budget; no additional funding will be required with this request.
  - c. The Public Information Department requests approval to convert an existing term Administrative Officer I position to a permanent status in order to retain qualified staff. Funding for the term position exists in the current budget; no additional funding will be required with this request.
6. Motion to approve the addition of an Administrative Coordinator position to the Sheriff's Department Sex Offender Program.
  - a. The Sheriff's Department requests approval of a full time permanent Administrative Coordinator position to be assigned to the Criminal Investigations Sex Offender Registration and Tracking program. This approval will assist with the department's goal as presented in the biennial budget. The annual cost of this position is \$52,000.

The final steps in the budget process, according to guidelines established by DFA's Local Government Division, are to make final year-end adjustments to the budget and set the mil levy. The adjustment will take place in September and will incorporate carryovers, any modifications resulting from the County's June 30, 2005 fiscal account closing, and adjustments recommended by DFA. DFA will provide its recommended changes and the mill levy computation after receiving the Certificate of Valuation from the County Assessor. The Certificate of Valuation is due to DFA on June 30, 2005. DFA's comments and recommendations will be incorporated into the adjusted budget resolutions for fiscal year 2006, and this resolution will be presented to the Board in September.

#### **ATTACHMENTS:**

1. Financial Resolution **FR -2005** recognizing and budgeting new General Fund programs
2. Financial Resolution **FR -2005** increasing the BC06 1/8 Cent GRT Fund, BC10 Solid Waste Fund, BC51 Regional Juvenile Detention Center and BC59 Housing HUD Fund
3. Financial Resolution **FR -2005** BC10 Solid Waste Curb Side Recycling Program
4. Financial Resolution **FR -2005** accepting 2005 State Legislative appropriations, Grants, Capital Project funds
5. Listing of State Legislative and New Grant Appropriations"
6. Administrative Resolution **AR -2005** Establishing Bernalillo County Goals and Priorities for the Second Fiscal Year of the Biennial Budget.
7. GFOA & DFA Distinguished Budget Presentation Awards for the County's first Biennial Budget.

## **FISCAL IMPACT**

The mid-year budget adjustments presented for the Board's consideration complies with Bernalillo County's constitutional responsibilities and other budget requirements.

## **STAFF ANALYSIS SUMMARY**

### **COUNTY MANAGER**

This agenda item is the "midyear" budget report for the two-year budget. There are no major financial impacts to the budget as departments have maintained their expenditures. I recommend Board approval. TL 6/9/05

### **LEGAL**

Resolutions approved as to form. TDC 6/6/05

### **FINANCE**

**Budget** The second year of the County's biennial budget presented to the Board for approval maintains a fund balance that complies with DFA reserve requirements. Teresa Byrd, Budget Director 6/06/05